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DIRECTORATE OF  
INTELLIGENCE

# Intelligence Memorandum

## *Developments in Sino-Soviet Relations*

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15 February 1973

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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
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INTELLIGENCE MEMORANDUM

Developments in Sino-Soviet Relations

Relations between the USSR and China over the past several weeks have been marked by intense competition for influence in such key areas as Japan and Western Europe. In an effort to upset plans for joint Soviet-Japanese projects to exploit Siberian resources, Peking has coupled blunt language on the Soviet danger with a more flexible economic policy aimed at presenting China as an attractive long-term trading partner. As talks on mutual force reductions were getting under way in Vienna, the Chinese did their best to convince the West Europeans that Moscow cannot be trusted.

New Sino-Soviet frictions are bound to emerge in the wake of the Paris agreement on Vietnam, as both Moscow and Peking move to prevent the other from gaining a dominant position in Indochina. Bilateral relations remain sour, and no progress has been made at the border talks in Peking. There has been no major trouble recently along the frontier, but each side continues to maintain and improve its military posture in areas near the border.

*Note: This memorandum is one in a series of reports on Sino-Soviet relations. It was prepared by the Office of Current Intelligence, with contributions from the Office of Strategic Research.*

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Partly as a means of diverting Japanese economic attention from the USSR, the Chinese are dangling the prospect of further expansion of Sino-Japanese trade. They have agreed to sell 200,000 tons of crude oil to Japan in 1973 and have said they are willing to increase sales to 1,000,000 tons per year in 1973 and 1974. Negotiations have also been completed for the Chinese purchase of two entire ethylene plants to be financed by five-year Japanese Exim Bank loans. This is the first time since the Cultural Revolution that Peking has accepted long-term commercial credits.

Although the Chinese obviously see Japan as a critical area in their competition with the Soviet Union, they are likely to proceed cautiously in their economic diplomacy. Tokyo is already China's largest trading partner, and Peking is wary of becoming so closely entangled with Japan that it risks becoming economically dependent. On the other hand, the Chinese almost certainly will not overreact if Japan consummates its Siberian deals with Moscow. In short, Peking's options are in many respects limited--a situation that could benefit Tokyo in its dealings with both the Soviet Union and China.

The Soviets are displeased with the slow pace of discussions on Soviet-Japanese economic cooperation, and particularly with the cautious attitude of the Japanese Government toward joint ventures in Siberia. Soviet officials suspect that China is somehow responsible for Tokyo's go-slow attitude, and increased Sino-Japanese economic dealings over the past several weeks have undoubtedly compounded their concern. Soviet Ambassador Troyanovsky confided to the US ambassador in Tokyo on 30 January that he had doubts about Japanese willingness to cooperate in Siberia. Troyanovsky pointedly noted that Tokyo seemed concerned about the effect this might have on relations with Peking. Nevertheless, in recent weeks he has been lobbying actively, in an attempt to elicit a more positive and explicit commitment from the Japanese Government on joint economic ventures.

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Europe: Chinese Trying...Soviets Sensitive

Italian Foreign Minister Medici heard familiar Chinese themes during his mid-January visit to Peking. The Chinese, he said, "harped constantly" on the theme that Europe must serve as a counterforce to the USSR, warning that if it did not, the world power balance would be "dangerously" altered. Both Chou En-lai and Foreign Minister Chi Peng-fei expressed their strong approval of the European Communities as a starting point for eventual political and military unity.

Such praise of the EC has been a staple of Chinese diplomacy for over a year. As their endorsement has become more open, Chinese spokesmen have had some difficulty explaining how support for a movement that leads toward a greater concentration of "monopoly capitalism" squares with the needs of the working class. While admitting that there was an apparent contradiction in the Chinese position, a Chinese diplomat recently explained [redacted] that support for the EC was necessary to counter the threat of Soviet "social imperialism" which endangered all European workers. Once again, China's national goal of countering the Soviets in Europe takes precedence over the ideological goal of furthering the interests of the proletarian revolution.

While the Chinese realize that they can influence European events only marginally, they have probably been heartened by recent signs that they are having at least some impact. In part in response to China's repeated encouragement of European unity, the EC set up a Far East working group in mid-January; ambassadors of the eight EC countries that have relations with Peking will now be encouraged to confer regularly in Peking. A less concrete, but symbolically important, signal was the positive response given a request by Peking's ambassador in Brussels for informal consultations with NATO ambassadors. Not surprisingly, the Chinese envoy said he would like to discuss prospects for a Conference on European Security and Cooperation and force reductions.

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Chinese opposition to both European security and force reductions took a new turn in late January just as preliminary talks on force reductions were getting under way in Vienna. The Chinese military attaché in Moscow planted a spurious rumor alleging that over the last six months Soviet military strength in Czechoslovakia had been secretly doubled in preparation for eventual force reductions. Should reductions be made, the attaché said, Soviet force levels would stand roughly where they were before any cut-backs. The same story was also circulated in diplomatic circles in Budapest by the Chinese, with the added allegation that troop strength in Hungary had also been increased. Obviously, the Chinese, concerned that further detente in Europe will strengthen the Soviets in the East, want to sow doubt among West Europeans as to the wisdom of relaxing their guard against Moscow.

Soviet sensitivity to Chinese meddling in Western Europe has been apparent in recent commentaries denouncing Peking for making common cause with the opponents of detente in Europe. Soviet media have castigated China's negative attitude on force reductions in Europe and have portrayed NATO as Peking's "Atlantic trump-card" against the USSR. The steady drum-beat of criticism suggests that Moscow is more and more uneasy about the damage the Chinese could do to Soviet detente policies.

The "Sea of Peace," and NATO

China's often-repeated propaganda line that the Mediterranean should be a "sea-of-peace" with neither a US nor Soviet military presence has recently been revised, [REDACTED] Chinese diplomats discussing this issue are now trying to convince European statesmen to be wary of growing Soviet influence in the Mediterranean in general and North Africa in particular, but now they are not counterbalancing their argument by criticizing the presence of the US fleet. In fact, the spokesmen have been praising NATO as a barrier to Soviet ambitions in the Mediterranean.

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A Postponed Trip and an International Conference

To further their goals in Europe, the Chinese had planned a wide-ranging journey by Foreign Minister Chi Peng-fei in February and March to reciprocate the visits of the numerous European delegations that have been to Peking over the past year. The scheduled trip will probably be postponed, however, because Chi will almost certainly head the Chinese delegation to the International Conference on Vietnam opening in Paris in late February.

A key question is whether the conference will be the occasion for additional Sino-Soviet polemics. Since both Moscow and Peking have enthusiastically endorsed the Vietnam agreement and have urged the North Vietnamese to comply with the accords, it appears that there will be little divergence of view on Vietnam. The two do not see eye-to-eye on Cambodia, however, and if this issue arises at the conference, the differences may boil up to the surface.

...and a Post-War Vietnam

In the wake of the recent agreement on Vietnam, new manifestations of Sino-Soviet competition in Indochina are likely to emerge. The policies of each side will be chosen with a sharp eye on how best to prevent the other from gaining a dominant position in Southeast Asia. This is largely what prompted Khrushchev's successors to reverse his policy of benign neglect toward North Vietnam. One of the first acts by Brezhnev and his colleagues was to mount a serious challenge to China in its own backyard. Peking took up the challenge, and for more than eight years Indochina has been the scene of intense Sino-Soviet competition.

In providing increased military and political support to North Vietnam, the Soviets gave Hanoi an alternative to exclusive reliance on China for outside help. For their part, the North Vietnamese tried--with considerable success--to maximize the

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aid of both big brothers by playing them off against each other. At certain critical junctures during the war, Hanoi was even able to induce a modicum of cooperation between the two adversaries in expediting the flow of military and economic assistance to North Vietnam. With the mining and bombing at an end, the Soviets will not have to depend to the same extent on Chinese cooperation to transport material from the USSR to North Vietnam. Last week a Soviet Foreign Ministry official acknowledged, in a conversation with foreign diplomats, that there would be plenty of Sino-Soviet rivalry with respect to post-war aid; he added that this would work to Hanoi's advantage.

A recent article in Izvestia confirms that competition with Peking is a central factor in Moscow's attitude toward the new situation in Vietnam. The author takes pains to refute "Maoist" attempts to discredit Soviet aid to Hanoi during the war, and denounces "imperialist and Maoist" propaganda claims that Soviet rehabilitation aid would infringe on North Vietnam's sovereignty. Izvestia is remarkably open in pointing out, approvingly, that the agreement signed in Paris "logically entails the establishment of relations between the US and the DRV on the basis of peaceful coexistence." This is a development that the Soviets would clearly welcome as an additional counter to Chinese influence in Hanoi. Moscow's views were also reflected in private remarks of a Soviet official to a US diplomat who had asked what kind of Vietnam the Soviets would like to see evolve in the future. The Soviet replied that Moscow's interest would be best served by a "strong and united Vietnam that is nationalistic rather than pro or anti any particular great power." Despite such strong words, Moscow seems to believe that a unified nation is a long way off, and that it can live with two Vietnams in the meantime.

China has a keen interest in curbing Soviet inroads in Hanoi and has indicated that it sees some advantage in a continued US role in Indochina as a

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counterweight to Soviet influence. Neither the Soviets nor the Chinese have made any secret of the fact that they welcome the cease-fire, particularly inasmuch as it helps to remove a serious obstacle to the improved relationship both are trying to cultivate with Washington.

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More Polemics at the UN

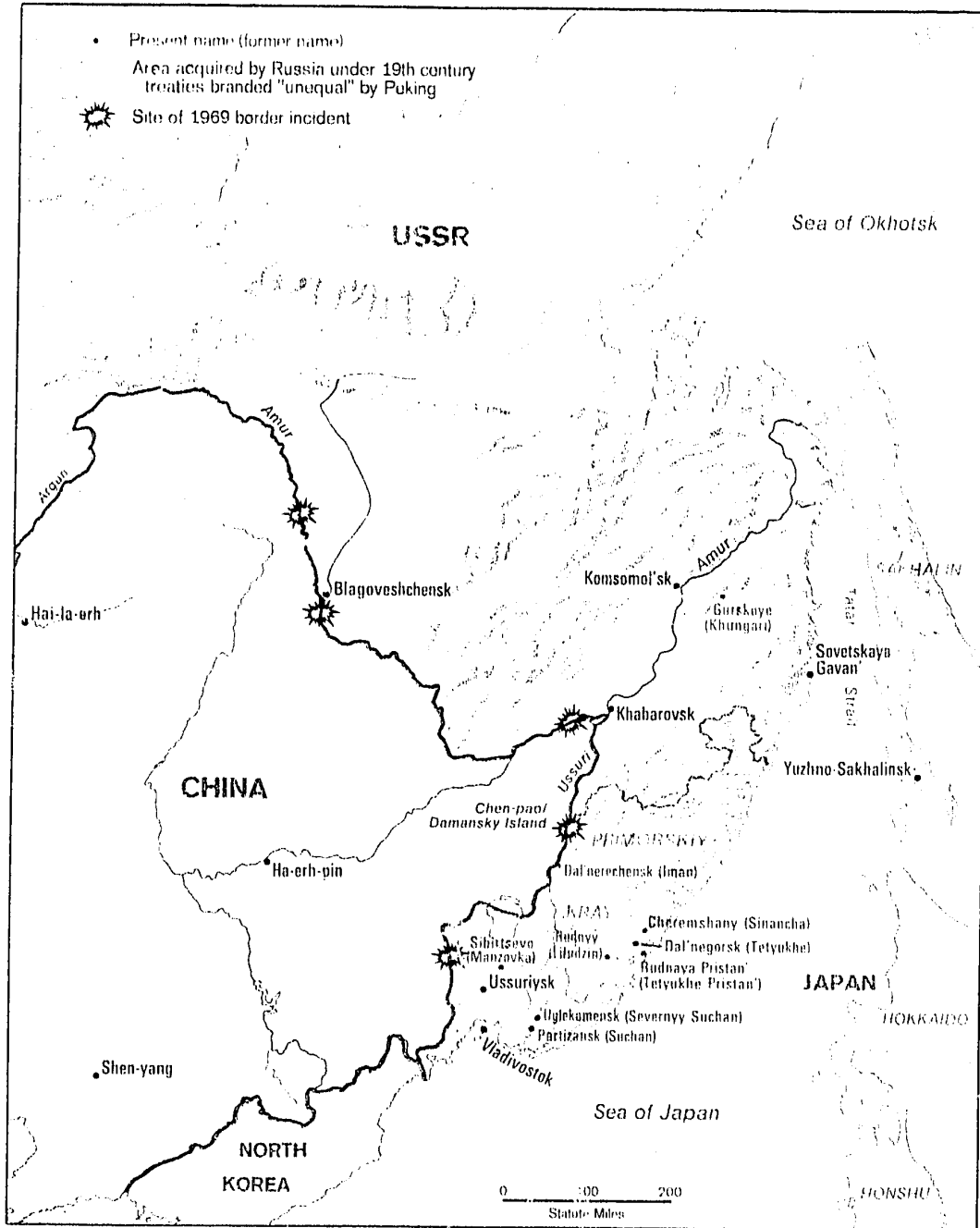
Not content with its frequent blasts at the Soviet Union in speeches during the fall UN General Assembly session, the Chinese delegation in New York renewed the polemics in a letter in mid-January to UN Secretary-General Waldheim. The letter accused Stanislaw Trepczynski, the Polish president of the General Assembly, of "catering to the needs" of the Soviet Union by reserving a seat for Peking in the special committee of the World Disarmament Conference, despite Chinese objections. The letter charged that this and other actions by Trepczynski were designed to turn the committee into a "tool" of the Soviet Union for perpetuating Moscow's "fraudulent" disarmament policies.

A Blast on Agriculture--The Pot to the Kettle

Departing from its practice in recent months of refraining from public disparagement of the Soviet leaders for their handling of domestic policy, in early February Peking took aim at Brezhnev's identification with Soviet agricultural interests. Charging that, like Khrushchev, the "Brezhnev clique" had "made a mess of agriculture," the article argued the ranking Soviet officials who were recently dismissed were only "scapegoats." The irony of this attack is that by all counts the Chinese harvest this year will fall far below expectations and Peking will have to purchase even more grain on the world market. In this context, Peking's attack on Moscow may have been an effort to beat the Soviets to the punch.

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# Soviets Rename Far Eastern Localities



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High Soviet officials continue to criticize China's internal policies in private conversations with foreign leaders.

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The Frontier Dispute...Changing Names

Occasionally, Soviet sensitivity to Chinese claims to huge chunks of Siberia shows through in unusual ways. On 26 December 1972, for example, an official decree of the Supreme Soviet of the RSFSR Russianized the names of nine Far Eastern towns located on territory claimed by China and thereby removed some evidence that any Chinese had ever inhabited the area. All but one of the towns are in Primorskiy Kray, and some are near the border with China where fighting broke out during 1969. The official list does not cover all of the geographic names of apparent Chinese origin in the area, and further changes may be announced later.

Names of towns in the USSR are frequently replaced, but this is the first time in recent memory that Chinese names have been changed. There is precedent, however, for wholesale changes of certain kinds of names for obvious political reasons. Thus, similar--but more sweeping--alterations from Japanese to Russian names were made in southern Sakhalin and the southern Kuriles after the USSR took control of these areas at the end of World War II. Similarly, as the USSR annexed territories along its West European border during the war, German names in former East Prussia and Polish names in the former eastern part of Poland were replaced by Russian ones.

Border Talks Sterile...But in Session

The USSR's chief negotiator at the border talks in Peking, Deputy Foreign Minister Ilichev, and Soviet Ambassador Tolstikov returned to Peking on 12 January after a four-week stay in Moscow, but there has been no hint of any forward movement in bilateral relations. A Soviet Foreign Ministry official recently told a US Embassy officer that

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Ilichev attended a plenary session of border negoti-  
ators shortly after his return, but took no new ini-  
tiatives. Predictably, the Foreign Ministry offi-  
cial blamed the continuing impasse on Chinese obdu-  
racy.

Information on how the border negotiations are  
conducted has been sparse. In all likelihood the  
pace of the talks since their inception in October  
1969 has not been uniform. It has probably depended  
on whether new initiatives were under discussion or  
whether the two sides were merely going through the  
motions. [REDACTED]

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Officials of both sides hold out little hope  
for early progress at the frontier negotiations,  
but both countries seem intent on keeping them go-  
ing. A Soviet diplomat [REDACTED] recently commented  
that despite the lack of progress, the talks provide  
a useful way to gauge Chinese attitudes, [REDACTED]

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Soviet Officials Cite China's "Mini-Deterrent"

On two recent occasions, Soviet officials have openly acknowledged China's developing strategic nuclear capability against the USSR. In December an official of the Soviet UN delegation, in a talk with US officials, raised the issue of China's relationship to SALT and the need to take China into account in agreements on future strategic force levels. He noted that the USSR had a special problem: Chinese nuclear weapons systems could strike the USSR but not the US, and thus would not be considered strategic in US-Soviet terms. The official admitted that the "splendid superiority" needed to retain a nearly complete Soviet pre-emptive or disarming capability against China was rapidly going, if not already gone. In short, he concluded, China already has a "mini-deterrent" against the Soviet Union.

The same basic points were made by a public lecturer in Leningrad on 21 January. The lecturer asserted that China has developed a "second-strike" capability against the USSR and that by relocating "ICBMs" in silos farther away from the Soviet border, Peking has eliminated the threat of "surgical" air or land attacks on its missiles.

These open acknowledgments of Chinese capabilities against the USSR are unusually candid, and a far cry from Soviet-inspired rumors about a possible "surgical strike" during 1969, when fighting broke out on the Sino-Soviet border. At that time Moscow was trying--not without success, it turned out--to

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intimidate the Chinese, but whether the Soviets actually considered such an attack a practical policy option is unknown. It seems likely that the recent Soviet comments reflect Moscow's view of current realities in the light of continuing Chinese advances in nuclear weaponry. The remarks also seem to suggest that the Kremlin is aware that Peking's much improved international position over recent years, and particularly its growing ties with the US, make it much more difficult to contemplate any unprovoked military action against China.

The Military Situation: China's Defense Along the Soviet Border

The Chinese, like the Soviets, are improving their military posture along the common border.

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China must still rely on a "people's war"--the mobilization of the entire population--to repel any Soviet invasion, gradual modernization of the Chinese forces has enabled Peking to plan for major resistance nearer the border than was practical a few years ago.

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There is no evidence that the Chinese are preparing for offensive action against the Soviet Union. They appear to be well aware that they are still no match for the heavily mechanized, modern Soviet forces.

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